MONTANA SENATE
2007 LEGISLATURE

ROLL CALL
NATURAL RESOURCES COMMITTEE

DATE 2-16-07

NAMES	PRESENT	ABSENT	EXCUSED
LIND, GREG (D) - CH	✓		
CURTISS, AUBYN (R)	✓		
GEBHARDT, KELLY (R)	✓		
HARRINGTON, DAN (D)	✓		
KAUFMANN, CHRISTINE (D)	✓		
PERRY, GARY (R)	✓		
TASH, BILL (R)	✓		
TROPILA, MITCH (D)	✓		
WANZENRIED, DAVID (D)	✓		
JOE KOLMAN, LSD	✓		
CLAUDIA JOHNSON, SEC.	✓		

SENATE STANDING COMMITTEE REPORT

Mr. President:

We, your committee on **Natural Resources and Energy** recommend that **Senate Bill 445** (first reading copy -- white) **do pass**.

Signed: _____
Senator Greg Lind, Chair

- END -

Committee Vote:
Yes 9, No 0
Fiscal Note Required ___ KF

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MONTANA STATE SENATE
2007 LEGISLATURE

VISITOR REGISTER

NATURAL RESOURCES AND ENERGY

DATE 2-16-07

BILLS BEING HEARD TODAY SB311, 432, 445, 448
SB313

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
Patrick Judge	443-2520	MEIC/RNP/NRDC + MontPIRG	311		X
"	"	MEIC only	432	X	
"	"	MEIC/RNP/NRDC	445	X	
Claude VanWinkle	523-1428	Montana Rail Link	432		X
Debbie Shea	495-1444	Montana Mining Assoc	432		X
TAD DALE	496-3210	MONT. RESOURCES LLC	432		X
Stephanie Spika	350-2088	Carroll College Republicans	311	X	
Greg Jergeson	444-6166	MT PSC	311		X
John Youngberg	570-4103	MFBF	432	X	
Greg Jergeson		MT PSC	313	X	
Jason Todhunter	253-3807	MT Logging Assoc	432		X
Barbara Ranf	447-2301	BNSF Railway	432		X
Helen Waller	485-3490	Northern Plains / Self	432	X	
Richard Parks	848-7314	Northern Plains / Self	432	X	
Lon Moore	841-5280	DEQ	445	X	
John Fitzpatrick	449-9819	Newhouse Inc	311		X
BILL SNODDY	227-5121	SELF	311	X	
DAVID HOFFMAN	457-5300	PPL MT	313		X
VAN JAMISON	443-0815	SELF	432	X	
Mike Volesky	444-3111	Governors Office	445/432	X	
Matt Leow	370-3183	MontPIRG	445, 448, 432 ✓		

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

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2007 LEGISLATURE

VISITOR REGISTER

NATURAL RESOURCES AND ENERGY

DATE 2-16-07

BILLS BEING HEARD TODAY 432, 311, 445, 448, 313

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
John Alke	431-4630	MDU	448		X
Doug Hardy	223-3091	MECA			X AS AMD.
Donna Alexander	449-4133	MPMCGA	432		X
Jack Kane	841-2213	Labor + Industry	432	INFO	
Tom Ebzery	441-7531	Puget, PGE, Avista + Pacificorp	313		X
Dave Cobb	442-7582	MPA	432		X
Spook Stang	442-6600	MMCA	432		X
Paul Miller	532-3268	Sustainable Systems LLC	432	X	
John Fitzpatrick II	449-9818	Northwestern	448		X

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WORC

Western Organization of Resource Councils

January 2007

Clean, renewable energy: it's faster, cheaper, and better for Montana than a dirty coal-to-diesel industry. Here's why.

CLEAN ENERGY: FASTER

- Montana could have several clean energy projects up and running more quickly than the first coal-to-diesel plant could come on line.
- For electricity, the recently-completed Judith Gap wind farm is a good example: it was constructed in less than one year.
- For transportation fuel, we need only look to our neighbors in North Dakota: They broke ground on two biodiesel plants in 2006, which are scheduled to begin production in 2007. The plants will have the capacity to produce 105 million gallons of biodiesel per year (about 7,000 barrels per day) from North Dakota canola.
- Biodiesel plants are being built around the country with *proven* technology – 87 plants were in production as of November 2006, with 78 more under construction or expansion. The engineering, design, financing, permitting and construction of even one 20,000 barrel per day coal-to-diesel plant would take many years. The Department of Energy says that the technology for effectively and economically sequestering carbon emissions from such plants is years away.
- The Department of Energy's latest forecast projects that the U.S. will produce 690,000 barrels per day of ethanol by 2010, and no liquids from coal until 2015 (when it projects just 60,000 barrels per day).

CLEAN ENERGY: CHEAPER

- Clean energy plants are coming on-line around the country with the capital investment and lead times that are eight times lower than a coal-to-diesel plant.
- The recently completed Judith Gap wind project in Montana is producing electricity at a cost *lower* than NorthWestern Energy's current cost-of-supply.
- The estimated cost of a 25,000 barrel per day coal-to-diesel plant is $2-$2.5 billion. The cost to build biodiesel plants with a capacity of 25,000 BPD is about $380 million, or one-sixth the construction cost of a 25,000 BPD coal-to-diesel plant.

220 S. 27th Street, Suite B, Billings, MT 59101
(406) 252-9672 FAX (406) 252-1092 E-mail: billings@worc.org http://www.worc.org

CLEAN ENERGY: BETTER FOR THE ECONOMY AND ENVIRONMENT

- Investing in biofuels plants in rural communities across Montana spreads prosperity broadly. Building one industrial synfuels complex in coal country would concentrate economic benefits – and attendant social infrastructure costs -- in one area.
- Biofuels plants will produce twelve times the economic benefit per dollar invested than coal to diesel plants.
- Coal to diesel plants require huge amounts of water – between 5 and 15 barrels of water for every barrel of fuel produced. There is not enough available water in Montana to meet the consumption needs of the dirty coal-to-diesel facilities proposed by Governor Schweitzer. One 25,000 BPD plant would use between 5,000 and 15,000 acre-feet of water per year (equal to the consumption of the cities of Helena and Billings, respectively). A 1 million BPD Montana coal to diesel industry would consume between 200,000 and 600,000 acre-feet per year.
- A 1 million BPD coal-to-diesel industry would require a 7-fold increase in the amount of Montana coal production. It would require over 3,500 acres of land per year to be stripped and taken out of their current land use. That's 221 square miles over the life of the mines.
- In the last 30 years, Montana has only released reclamation bonds for 216 acres of mined land (that is, only those acres have been fully reclaimed) of 62,000 acres permitted for strip mining during that time – less than one percent.
- A 1 million BPD synfuels complex would produce 50,000 tons per year of sulfur dioxide, 80,000 tons per year of nitrogen oxide, and 25,000 pounds per year of mercury (into the plant waste stream). It would produce 73 million tons of waste ash and 1.4 million tons of sludge each year. Clean energy projects like biofuels plants and wind farms avoid these large-scale impacts to public health.

CLEAN ENERGY: BETTER FOR THE CLIMATE

- Wind energy generates electricity ***today*** with no greenhouse gas emissions.
- Plants used as feedstock for biofuels production take carbon dioxide ***out*** of the atmosphere when they grow, offsetting the carbon dioxide emissions when the fuel is burned in cars and trucks.
- Liquid fuels from coal would emit twice as much climate-warming carbon dioxide as the petroleum fuels they would displace, unless carbon dioxide is captured and sequestered at the coal to liquids plants.
- Even with carbon capture and sequestration at coal to liquids plants, liquids from coal will emit more carbon dioxide over their life-cycle than the petroleum liquids they would replace.